

INTRODUCTION: Capital Movements

Treasury collects information about the transference of financial assets and other portfolio capital movements between the United States and foreigners, and has since 1935. Commercial banks and other depository institutions, bank holding companies, securities brokers and dealers, and nonbanking enterprises in the United States file capital movement reports with district Federal Reserve banks.

Forms and instructions are developed with the cooperation of other Government agencies and the Federal Reserve System, and in consultation with representatives of banks, securities firms, and nonbanking enterprises. Copies of the reporting forms and instructions may be obtained from the Office of International Financial Analysis, Office of the Assistant Secretary for Economic Policy, Department of the Treasury, Washington, D.C., 20220, or from district Federal Reserve banks.

In general, information is reported opposite the country or geographical area where the foreigner is located, as shown on records of reporting institutions. However, information may not always reflect the ultimate ownership of assets. Reporting institutions are not required to go beyond addresses shown on their records, and so may not be aware of the actual country of domicile of the ultimate beneficiary.

United States liabilities arising from the deposits of dollars with foreign banks appear as liabilities to foreign banks, although the liability of the foreign bank receiving the deposit may be to *foreign official institutions* or to residents of another country.

Transactions with branches or agencies of foreign official institutions, wherever located, are reported opposite the country that has sovereignty over the institutions. Transactions with international and regional organizations are not reported opposite any country, but are accounted for in regional groupings of such organizations. The only exception is information pertaining to the Bank for International Settlements, which is reported opposite 'Other Europe.'

Banks and other depository institutions, bank holding companies, International Banking Facilities (IBFs), securities brokers and dealers, and nonbanking enterprises in the United States must file reports. These enterprises include the branches, agencies, subsidiaries, and other affiliates in the United States of foreign banking and nonbanking firms. Those with liabilities, claims, or securities transactions below specified exemption levels are exempt from reporting.

Banks and other depository institutions, and some brokers and dealers, file monthly reports covering their dollar liabilities to, and dollar claims on, foreigners in a number of countries. Twice a year, June 30 and December 31, they also report the same liabilities and claims items to foreigners in countries not shown separately on the monthly reports. Quarterly reports are filed for liabilities and claims denominated in foreign currencies in relation to foreigners. The exemption level applicable to these banking reports is \$15 million.

Banks and other depository institutions, securities brokers and dealers, and other enterprises report monthly their transactions with foreigners in long-term securities. They must report securities transactions with foreigners if their aggregate purchases or their aggregate sales amount to at least \$2 million during the covered month.

Exporters, importers, industrial and commercial concerns, financial institutions (other than banks, other depository insti-

tutions, and brokers), and other nonbanking enterprises must file reports quarterly if liabilities to, or claims on, unaffiliated foreigners amount to \$10 million or more during the covered quarter.

Nonbanking enterprises also report each month their U.S. dollar denominated deposit and certificates of deposit claims of \$10 million or more on banks abroad.

The data in these tables do not cover all types of reported capital movements between the United States and other countries. The principal exclusions are the intercompany capital transactions of nonbanking business enterprises in the United States with their own branches and subsidiaries abroad (own foreign offices) or with their foreign parent companies, and capital transactions of the U.S. Government. Consolidated data on all types of international capital transactions are published by the Department of Commerce in its regular reports on the United States balance of payments.

- **Section I** presents liabilities to foreigners reported by U.S. banks and other depository institutions, as well as brokers and dealers. Dollar liabilities are reported monthly; those denominated in foreign currencies are reported quarterly. Respondents report certain of their own liabilities and a wide range of their custody liabilities to foreigners.

- **Section II** presents claims on foreigners also reported by U.S. banks and other depository institutions, brokers, and dealers. Data on bank claims held for their own account are collected monthly. Information on claims held for their domestic customers as well as foreign currency claims, is collected on a quarterly basis only. Maturity data are reported according to time remaining to maturity. Reporting also covers certain items held by brokers and dealers in the United States.

- **Section III** contains supplementary data on dollar liabilities to, and dollar claims on, countries not listed separately on the monthly reports submitted by banks, other depository institutions, brokers and dealers in the United States. The supplementary reports are filed semiannually as of the end of June and December. (Note: Beginning with the September 1994 issue of the "Treasury Bulletin," former table CM-III-1, Dollar Claims on Nonbank Foreigners, will no longer appear. Former table CM-III-2, Dollar Liabilities to, and Dollar Claims on, Foreigners in Countries and Areas Not Regularly Reported Separately, has been redesignated as table CM-III-1. This semiannual data series will now appear in each issue of the "Treasury Bulletin.")

- **Section IV** shows the liabilities to, and claims on, unaffiliated foreigners by exporters, importers, industrial and commercial concerns, financial institutions (other than banks, other depository institutions, and brokers), and other nonbanking enterprises in the United States. Information does not include accounts of nonbanking enterprises in the United States with their own branches and subsidiaries abroad or with their foreign parent companies. These are reported by business enterprises to the Department of Commerce on its direct investment forms. Data exclude claims on foreigners held through banks in the United States.

- **Section V** contains information on transactions in all types of long-term domestic and foreign securities with foreigners reported by banks, brokers, and other entities in the United States. The data cover transactions executed in the United States for the accounts of foreigners, and transactions executed abroad for the accounts of reporting institutions and their

domestic customers. This includes transactions in newly issued securities as well as transactions in, and redemptions of, outstanding issues. Also, some transactions classified as direct investments in the balance of payments accounts may be included. However, the data do not include nonmarketable Treasury bonds and notes shown in table IFS-3.

In the case of outstanding securities, the geographical breakdown of the transactions data does not necessarily reflect the ultimate owners of or the original issuers of the securities.

This is because the path of a security is not tracked prior to its being purchased from, or after it is sold to, a foreigner in a TIC reportable transaction. That is, before it enters and after it departs the reporting system, ownership of a security may be transferred between foreigners of different countries. Such transfers may occur any number of times and are concealed among the net figures for U.S. transactions opposite individual countries. Hence, the geographical breakdown shows only the country of domicile of the foreign buyers and sellers of securities in a particular round of transactions.

Report on the Survey of Selected Foreign Financial Assets

(Source: Office of International Financial Analysis)

Since the mid 1930's, the Treasury International Capital (TIC) reporting system has collected information about the movement of capital between the United States and foreign countries. Banking as well as nonbanking enterprises file TIC reports with the Federal Reserve banks, which act as fiscal agents of the Department of Treasury in collecting and processing the information. Treasury then provides the data on an aggregate basis, not individually by respondent, to the Department of Commerce for use in calculating capital and income flows in the official U.S. balance of payments accounts and for calculating the U.S. international investment position. Because the TIC system represents the most complete and readily available source of information on U.S. international portfolio claims and liabilities, the data are used by a wide variety of U.S. Government agencies, international organizations, and private-sector institutions for tracking trends in international finance. The data are also of interest to independent academics and researchers.

The "Survey of Selected Foreign Financial Assets as of March 31, 1994", the "Claims Survey" for short, was conceived as part of TIC efforts to improve the completeness and accuracy of reported information on capital flows. It was stimulated in part by several specific factors arising in recent years, including the statistical discrepancy in the U.S. balance of payment accounts, and observed differences between U.S. statistics and those compiled by some foreign and international agencies, that have highlighted possible shortcomings in the national data collection system.

The Claims Survey was designed as a companion for "The Benchmark Survey of U.S. Holdings of Long-term Securities." The results of the Long-term Survey (to be released later) will establish a new and important benchmark for U.S. holdings of foreign stocks and bonds, which are reported on a transactions basis on TIC Form S. The Claims Survey was needed to confirm the level of U.S. short-term portfolio claims on foreigners, principally in the form of deposits, loans, and other assets, as reported by U.S. banks and brokers on TIC B-series reports and by nonbank enterprises on TIC C-series reports.

On a net basis, the survey uncovered \$74.7 billion in U.S. claims on foreigners that had not been reported on regular TIC reports for the March 31, 1994, report date. This corresponds to an increase of 11.5 percent in the outstanding amount of such claims. In addition, the survey identified several types of reporting problems that can be addressed to strengthen the TIC system. Further discussion about the survey and the results it generated follow below.

The Survey

The Claims Survey was created to obtain an up-to-date and separate measure of U.S. claims on foreigners, excluding claims represented by long-term securities, with which to compare the levels of such claims reported on the monthly and quarterly TIC B-series and C-series forms. The objective was to use this comparison to identify and close gaps in the reporting system, as well as to shed light on reporting problems and other methodological issues.

The survey was designed by the Federal Reserve Bank of New York (FRBNY) and the Department of Treasury, with assistance from the Department of Commerce. In addition to leading the project, FRBNY conducted the survey and processed the data. A notice to the public announcing the survey appeared in the February 24, 1994, issue of the *Federal Register*.

Completion of the Claims Survey was mandatory for any U.S. person or organization that held, either for its own accounts or for its domestic customers, \$10 million or more in the types of financial assets covered by the survey. In addition, any institution that received a copy of the survey directly from the FRBNY was required to file. The FRBNY mailing list included all entities that had filed a TIC report at least once in the 2 years prior to the survey date, plus more than 100 institutions representing various industries that had been identified by the Department of Commerce as potential TIC reporters. All institutions receiving a copy of the survey were required to return the survey form signed by an authorized and knowledgeable official, if only to register their exempt status. In total, 2,186 surveys were filed. Each of the 1,970 institutions on the FRBNY mailing list responded to the survey except for 10 that had gone out of business. An additional 226 surveys were filed by entities not on the mailing list. About half of the surveys received, or 1,095, reported claims on foreigners of \$10 million or more. The rest were exempt from completing the main body of the survey.

The Claims Survey did not ask respondents to provide geographical breakdowns of their claims as do TIC reports. However, respondents were required to provide much more detail on their claims in terms of types of instruments or assets held. To spot inconsistencies between the amounts reported on the survey and TIC-reported claims, FRBNY analysts combined various components of the survey and compared the amounts with TIC data. All survey respondents whose data differed markedly from their TIC reports were notified of the discrepancies and asked to reconcile them.

In addition, FRBNY analysts contacted survey participants that filed non-exempt surveys (i.e., surveys with claims totaling \$10 million or more), but were not respondents to the TIC reporting system. Once their survey-reported claims were confirmed, such institutions were instructed to commence reporting to the TIC system. Similarly, since the TIC reports have the same or higher reporting thresholds as the Claims Survey, active TIC B-series and C-series reporters that declared they were exempt from the survey were also questioned. Those that were mistaken as to their exemption status were asked to go back and complete the survey.

A total of 865 survey respondents, or 40 percent of all participants, were asked by FRBNY analysts to explain differences between their survey and TIC-reported data. Of this group, 326 discovered significant errors on their TIC reports as of the survey date due to under or over reporting, or to misclassifications. Each of these was obliged to file revised TIC reports back to the December 31, 1993, reporting period. In addition, 24 survey participants who should have been reporting to the TIC system, but weren't, were required to commence reporting with back-reports to December 1993.

Results

The Claims Survey identified \$74.7 billion in net additional claims on foreigners that were not reported to the TIC system as of the survey date. This reflects a total of \$91.9 billion in previously unreported claims, offset by \$17.2 billion in improperly reported claims that should not have been in TIC B-series and C-series data.

The reporting problems revealed by the Claims Survey stemmed largely from respondents' failure to adhere to TIC reporting conventions. There were also some cases where reporters had trouble supplying data components, even though they understood what was required, because of incomplete information about certain instruments or how to report them correctly.

Under reporting

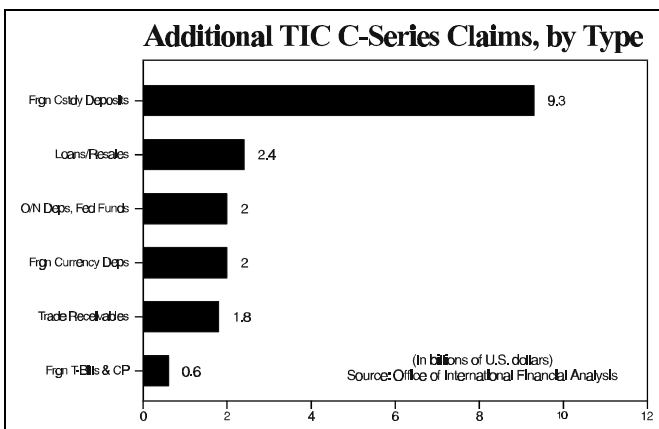
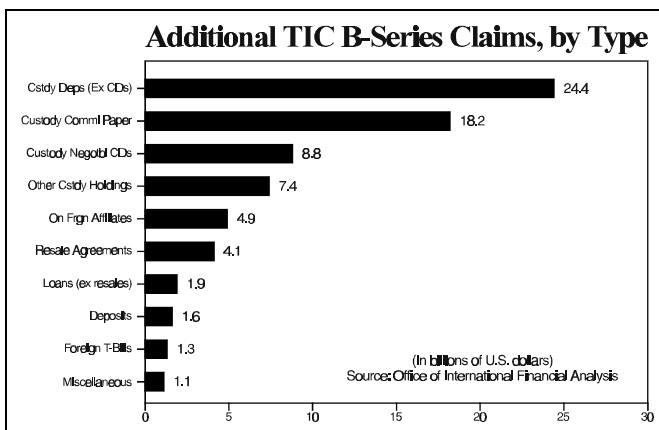
The most common occurrences of under reporting of claims data were due to incomplete or incorrect reporting of assets held by custodians. Custodians located in the U.S. are, in most instances, responsible for reporting to the TIC system the foreign short-term portfolio assets of their domestic customers. Domestic holders, or owners, of foreign assets are themselves responsible for reporting those claims that they hold directly, or for which they have made custody arrangements, with a custodian outside the United States.

The \$91.9 billion in claims uncovered by the survey consists of \$58.8 billion of assets held in custody, but not reported, by current TIC B reporters, chiefly banks, other depository institutions, brokers, and dealers. Some custodians had failed outright to report their customers' claims, while other custodians failed to properly identify customers' assets or excluded certain types of such claims. Previously unreported custody assets included \$24.4 billion worth of deposits, \$18.2 billion of commercial paper, \$8.8 billion of negotiable CDs, and \$7.4 billion of other custody holdings (see chart above right).

In addition to the custodial oversights, a number of B-Series reporters neglected to account fully for their own claims on foreigners in the amount of \$14.9 billion. The largest areas of omissions included \$4.9 billion in claims on foreign affiliates and \$4.1 billion in resale agreements. Other claims on foreign-

ers consisting of loans, deposits, holdings of foreign T-bills, and other assets amounted to \$5.9 billion.

The Claims Survey also found that TIC C-series respondents, which are mostly nonbank financial institutions and other commercial and industrial concerns, failed to report \$18.1 billion worth of claims on foreigners. This largely reflected \$9.3 billion in U.S. dollar-denominated deposits held through foreign custodians (see chart below). Other claims picked up by the survey and omitted from the C-series reports included \$2.4 billion in loans and resale agreements; \$2 billion in overnight deposits and/or federal funds transactions; \$2 billion of foreign currency deposits held through foreign custodians; and \$2.4 billion in trade-related receivables (including advance payments) and holdings of foreign T-bills and commercial paper.



Over reporting

Omission of claims from the TIC B-series and C-series reports was not the only reporting problem uncovered by the Claims Survey. Several instances of over reporting were also identified.

The survey found that B-series reporters had erroneously included \$14.2 billion in claims on their TIC reports as of the survey date. This overstatement was due in large part to misreporting of claims denominated in foreign currencies. Additionally, B reporters were found to have incorrectly reported \$2.4 billion worth of claims on their foreign affiliates, and \$1.4 billion worth of long-term securities.

Similarly, C-series reporters were found to have incorrectly included \$3 billion in claims on their TIC reports. This in-

cluded \$1.4 billion in U.S. dollar deposits with foreign banks that were held through and already reported by U.S. custodians. Other errors included the over reporting of \$700 million in overnight deposits and/or Federal funds transactions, and \$400 million in foreign currency-denominated deposits.

Misclassifications

Wherever the Claims Survey identified errors of omission or of over reporting, the level of total claims on foreigners as reported on the TIC reports was affected. Other errors, though, affected only certain subtotals of the TIC reports.

With respect to the B-series reports, the survey revealed the misclassification of \$5.8 billion in custody deposits as negotiable instruments (i.e., CDs), when in fact they were non-negotiable. In addition, \$2.8 billion in claims were misclassified according to whether they were denominated in U.S. dollars or foreign currencies; \$2.2 billion in claims on non-affiliates were reported as claims on affiliates; and \$1.5 billion in deposit claims were reported as loans, or loans as deposits. (See the table below for the breakdown of survey-related revisions made to TIC claims categories.)

Conclusions

The end result of the Claims Survey was a substantial improvement in the quality of the TIC data, not just for the survey date, but on an ongoing basis as well. In this regard, the survey helped to show respondents, and the TIC reporting system itself, how the reporting process could be improved. Further, the survey demonstrated that the structure of the TIC reporting system for collecting data on claims in the form of short-term and banking instruments remains, on the whole, up to the task.

The survey served primarily as a parallel report against which to compare the data that current TIC reporters were providing to the TIC system. Once discrepancies between their survey and TIC data were identified and discussed, many reporters came to better understand the requirements of balance-of-payments reporting. In most cases, reporters have already corrected their internal TIC data collection systems by using their experiences with the survey to modify procedures, improve inter-office communications, and revise computer programs.

Another objective of the survey was to find institutions that should have been reporting to the TIC system but were not. Only 24 new reporters were added to the TIC respondent panel as a result of the survey. In aggregate, these new respondents accounted for just 2 percent of additional TIC claims. This outcome suggests that the composition of the TIC reporting panel was fairly complete prior to the survey.

The survey also helped to shed light on areas of the TIC system that could be improved or strengthened. For instance, some reporters' errors resulted from misinterpretations of the TIC instructions, indicating the need for some revisions and clarifications. As a near-term solution, brief pamphlets emphasizing correct reporting procedures in the main problem areas have been sent to TIC reporters. Also, the survey emphasized the value of intensive and constructive discussions between reporters and those who process the reports. Efforts to preserve and enhance such cooperation would go a long way toward assisting respondents and ensuring reliable data in the future. These actions, plus a number of other changes and modifications to the TIC reporting system, are being considered in direct response to the information gleaned from the survey.

Survey of Selected Foreign Financial Assets Net Additional Claims on Foreigners as of March 31, 1994

(In millions of U.S. dollars)

Reported by banks (TIC B reporters)		Reported by nonbanking business enterprises (TIC C reporters)	
Net additional claims	59,543	Net additional claims	15,191
Payable in dollars	51,863	Payable in dollars	13,636
Banks' own claims on foreigners	4,670	Financial:	
Foreign public borrowers	-140	Deposits	7,869
Unaffiliated foreign banks:		Other	4,328
Deposits	2,013	Commercial:	
Other	-725	Trade receivables	1,439
Own foreign offices	-1,491	Advance payments and other	-
All other foreigners	5,013		
Claims of banks' domestic customers	47,193	Payable in foreign currencies	1,555
Deposits	29,544	Financial:	
Negotiable and readily transferable instruments	16,574	Deposits	1,630
Collections and other	1,075	Other	-75
		Commercial:	
Payable in foreign currencies	7,680	Trade receivables	-
Banks' own claims on foreigners	-2,992	Advance payments and other	-
Claims of banks' domestic customers	10,672		

Note that in dollar terms, almost 95 percent of the survey-related TIC revisions for both over and under reporting had been filed and incorporated into the TIC data as shown in this issue of the "Treasury Bulletin". Some reporters found it difficult and time consuming to reconstruct and revise their data.

However, each reporter's data must be revised on a consistent basis, starting with the report for December 31, 1993, before that reporter's survey-related changes could be inserted into the database. The remaining reporters should complete their revisions in time for the June issue of the "Treasury Bulletin".

**SECTION I.--Liabilities to Foreigners Reported by Banks
in the United States
TABLE CM-I-1.--Total Liabilities by Type of Holder**

[In millions of dollars. Source: Office of International Financial Analysis]

End of calendar year or month	Total liabil- ities (1)	Foreign countries						International and regional ²			Memoranda Total liabilities to all foreigners reported by IBFs	
		Official institutions ¹			Banks and other foreigners							
		Total	Payable in dollars (3)	Payable in foreign curren- cies ³ (4)	Total	Payable in dollars (6)	Payable in foreign curren- cies ³ (7)	Total	Payable in dollars (9)	Payable in foreign curren- cies ³ (10)	Payable in dollars (11)	Payable in foreign curren- cies ³ (12)
1990	830,192	119,367	119,367	-	704,713	634,430	70,283	6,113	5,918	195	315,220	56,613
1991	831,195	131,088	131,088	-	690,855	615,997	74,858	9,252	8,981	271	299,179	61,129
1992	883,055	159,563	159,563	-	713,639	641,346	72,293	9,853	9,350	503	315,697	58,394
1993 r	1,004,931	220,821	220,821	-	772,788	694,915	77,873	11,322	10,936	386	315,890	62,669
1994 - Dec. r	1,108,133	212,601	212,601	-	886,390	797,265	89,125	9,142	8,606	536	358,076	67,447
1995 - Jan. r	1,106,666	207,374	207,374	-	888,935	799,810	89,125	10,357	9,821	536	358,331	67,447
Feb. r	1,114,642	214,797	214,797	-	890,929	801,804	89,125	8,916	8,380	536	353,583	67,447
Mar. r	1,131,386	225,627	225,627	-	895,064	800,226	94,838	10,695	9,343	1,352	351,696	73,680
Apr. r	1,138,025	232,301	232,301	-	895,188	800,350	94,838	10,536	9,184	1,352	340,532	73,680
May r	1,141,339	239,504	239,504	-	891,593	796,755	94,838	10,242	8,890	1,352	346,962	73,680
June r	1,164,786	246,090	246,090	-	907,744	802,015	105,729	10,952	9,966	986	356,670	85,057
July r	1,167,103	253,455	253,455	-	900,477	794,748	105,729	13,171	12,185	986	353,980	85,057
Aug.	1,183,114	262,307	262,307	-	909,532	803,803	105,729	11,275	10,289	986	367,997	85,057
Sept.	1,176,147	273,144	273,144	-	888,636	787,844	100,792	14,367	13,011	1,356	359,662	78,944
Oct.	1,201,271	265,857	265,857	-	923,856	823,064	100,792	11,558	10,202	1,356	372,690	78,944
Nov. p	1,207,209	280,598	280,598	-	915,694	814,902	100,792	10,917	9,561	1,356	364,370	78,944
Dec. p	1,195,418	274,177	274,177	-	910,424	809,632	100,792	10,817	9,461	1,356	368,871	78,944

¹ Includes Bank for International Settlements.

² Principally the International Bank for Reconstruction and Development and the Inter-

American Development Bank.

³ Data as of preceding quarter for non-quarter-end months.

TABLE CM-I-2.--Total Liabilities by Type, Payable in Dollars
Part A.--Foreign Countries

[In millions of dollars. Source: Office of International Financial Analysis]

(In millions of dollars. Source: Office of International Financial Analysis)

End of calendar year or month	Total foreign coun- tries (1)	Official institutions ¹				Banks					Other foreigners			
		U.S.				U.S.					U.S.			
		Deposits		Treasury bills and certif- icates	Other lia- bili- ties ²	Deposits		Treasury bills and certif- icates	Other lia- bili- ties ²	To own foreign offices	Deposits		Treasury bills and certif- icates	Other lia- bili- ties ²
		Demand (2)	Time ² (3)	(4)	(5)	Demand (6)	Time ² (7)	(8)	(9)	(10)	Demand (11)	Time ² (12)	(13)	(14)
1990	753,797	1,940	14,405	79,424	23,597	10,053	88,541	10,669	109,874	321,667	9,710	64,086	6,339	13,490
1991	747,085	2,626	16,504	92,692	19,266	8,648	82,857	7,471	94,190	329,099	9,004	57,574	8,841	18,313
1992	800,909	1,302	17,939	104,596	35,726	10,170	90,296	11,087	104,773	330,994	10,310	48,936	10,053	24,727
1993 r	915,736	1,600	21,653	151,100	46,468	9,718	105,262	10,712	148,206	318,273	10,236	45,411	10,652	36,445
1994 - Dec. r	1,009,866	1,564	23,511	139,570	47,956	10,633	111,171	11,240	152,699	395,558	11,160	48,532	11,766	44,506
1995 - Jan. r	1,007,184	1,598	22,743	133,014	50,019	10,275	111,339	11,018	157,987	387,463	11,547	51,281	12,387	46,513
Feb. r	1,016,601	1,587	25,365	134,341	53,504	10,996	106,247	12,344	159,801	390,077	11,480	51,464	13,280	46,115
Mar. r	1,025,853	1,905	23,828	141,716	58,178	10,878	106,805	15,735	155,797	396,888	10,138	50,760	12,393	40,832
Apr. r	1,032,651	1,485	25,566	146,417	58,833	10,701	100,294	15,727	163,525	391,528	10,555	53,752	12,643	41,625
May r	1,036,259	1,575	27,243	154,575	56,111	11,406	102,889	14,444	164,420	386,834	10,555	52,136	12,524	41,547
June r	1,048,105	1,398	27,253	154,517	62,922	10,554	111,435	15,021	153,786	395,031	10,186	51,970	12,354	41,678
July r	1,048,203	1,429	29,411	159,654	62,961	12,121	104,477	15,535	160,258	373,602	10,511	52,848	12,881	52,515
Aug.	1,066,110	1,547	31,600	157,516	71,644	10,061	108,855	15,489	162,395	387,469	10,131	52,002	13,487	43,914
Sept.	1,060,988	1,362	32,048	163,093	76,641	11,817	98,861	16,170	156,979	386,697	10,500	52,929	13,453	40,438
Oct.	1,088,921	1,646	30,385	157,987	75,839	11,339	114,650	16,429	166,364	390,559	10,097	53,596	13,527	46,503
Nov. p	1,095,500	1,690	30,353	171,366	77,189	11,232	105,675	16,687	170,094	383,961	10,159	54,225	12,875	49,994
Dec. p	1,083,809	2,101	30,101	168,534	73,441	11,740	104,423	15,634	163,770	392,082	10,491	53,845	12,583	45,064

PART B.--Nonmonetary International and Regional Organizations

[In millions of dollars. Source: Office of International Financial Analysis]

End of calendar year or month	Total (1)	Demand deposits (2)	Time deposits ² (3)	U.S. Treasury bills and certificates (4)	Other liabilities ² (5)
1990	5,918	36	1,050	364	4,469
1991	8,981	43	2,714	1,730	4,494
1992	9,350	46	3,214	1,908	4,182
1993 r	10,936	15	2,780	4,275	3,866
1994 - Dec.	8,606	29	3,298	281	4,998
1995 - Jan.	9,821	24	3,715	280	5,802
Feb. r	8,380	35	3,376	407	4,562
Mar. r	9,343	31	3,699	314	5,299
Apr. r	9,184	214	3,798	763	4,409
May r	8,890	34	3,550	510	4,796
June r	9,966	114	4,579	312	4,961
July r	12,185	43	5,057	551	6,534
Aug.	10,289	40	4,642	826	4,781
Sept.	13,011	24	4,315	354	8,318
Oct.	10,202	77	3,901	1,342	4,882
Nov. p	9,561	33	3,576	962	4,990
Dec. p	9,461	21	4,311	350	4,779

¹ Includes Bank for International Settlements.

² Time deposits exclude negotiable time certificates of deposit, which are included in "Other liabilities."

Note.--Nonmonetary international and regional organizations include principally the International Bank for Reconstruction and Development and the Inter-American Development Bank.

TABLE CM-I-3.--Total Liabilities by Country

[Position at end of period in millions of dollars. Source: Office of International Financial Analysis]

Country	Calendar year			1995				
	1992	1993 r	1994 r	Aug.	Sept.	Oct.	Nov. p	Dec. p
Europe:								
Austria	1,809	2,203	4,174	4,554	6,245	5,911	5,779	4,750
Belgium-Luxembourg	23,781	31,609	26,576	29,207	29,979	31,132	34,297	30,566
Bulgaria	419	99	611	868	844	973	860	752
Czechoslovakia	580	817	953	1,018	1,085	1,555	1,416	1,675
Denmark	3,111	4,650	3,037	2,625	3,004	3,705	3,946	3,449
Finland	1,546	2,569	1,569	2,477	2,170	2,617	2,513	3,027
France	47,994	48,658	53,667	51,233	46,102	51,118	48,400	47,184
Germany	24,616	33,433	32,439	37,629	38,459	33,431	33,867	31,131
Greece	920	1,527	1,402	2,424	2,148	2,062	2,294	2,040
Hungary	177	1,491	1,095	1,560	1,311	1,468	1,100	2,055
Ireland	2,181	2,323	1,987	2,801	2,296	2,652	2,138	2,574
Italy	12,211	14,546	13,418	14,599	13,105	14,409	14,917	14,828
Netherlands	9,023	17,788	17,259	12,093	14,649	17,151	17,083	16,753
Norway	3,451	3,071	2,339	2,088	1,100	1,137	1,376	1,483
Poland	2,191	2,292	2,316	4,007	5,379	4,712	5,436	5,497
Portugal	2,484	3,488	2,997	3,163	3,243	3,112	2,928	2,965
Romania	117	125	529	229	227	204	244	246
Spain	10,307	21,365	15,612	11,104	11,751	15,118	12,460	11,662
Sweden	3,093	2,813	3,157	2,983	3,324	2,192	3,877	3,402
Switzerland	43,144	45,746	43,358	43,855	43,627	44,809	43,399	45,825
Turkey	2,958	3,584	3,378	3,607	4,039	4,170	4,113	4,227
United Kingdom	125,388	150,912	187,131	174,958	165,121	170,992	171,928	162,963
U.S.S.R. ¹	577	2,532	2,714	7,265	6,378	7,349	8,990	7,960
Yugoslavia ²	504	373	245	146	215	210	171	177
Other Europe	24,000	26,524	20,965	14,573	13,583	12,217	18,010	14,389
Total Europe	346,582	424,538	442,928	431,066	419,384	434,406	441,542	421,580
Canada	23,467	21,577	26,860	30,250	30,944	37,430	29,802	28,211
Latin America and Caribbean:								
Argentina	9,633	14,591	17,273	11,618	11,251	11,610	13,105	12,307
Bahamas	83,167	74,844	104,922	96,720	93,572	97,009	88,441	95,344
Bermuda	7,314	8,372	8,652	6,963	6,083	6,676	6,648	4,984
Brazil	5,676	5,384	9,290	26,914	28,056	27,830	27,828	24,228
British West Indies	159,240	199,955	237,497	253,827	244,675	246,085	250,385	246,899
Chile	3,115	3,314	3,173	2,939	2,787	2,663	2,785	3,510
Colombia	4,628	3,220	4,674	3,397	3,355	3,497	3,541	3,756
Cuba	3	33	13	3	4	13	8	8
Ecuador	1,035	899	886	1,168	1,138	1,319	1,315	1,323
Guatemala	1,400	1,224	1,136	1,137	1,212	1,083	1,225	1,286
Jamaica	379	425	541	460	500	446	463	493
Mexico	19,960	28,374	12,401	22,194	22,134	20,989	21,075	24,645
Netherlands Antilles	5,980	5,277	5,748	5,211	5,675	6,008	6,303	5,341
Panama	4,319	3,887	4,775	5,199	4,924	4,803	4,529	4,502
Peru	1,116	966	913	1,041	927	915	934	991
Trinidad and Tobago	306	398	637	504	520	463	476	451
Uruguay	2,027	1,664	1,649	1,978	1,879	1,896	1,952	1,868
Venezuela	12,183	13,334	14,501	11,634	12,297	12,968	11,950	12,107
Other Latin America and Caribbean	5,939	6,084	6,115	6,677	6,420	6,740	6,707	7,227
Total Latin America and Caribbean	327,420	372,245	434,796	459,584	447,409	453,013	449,670	451,270

See footnotes at end of table.

TABLE CM-I-3.--Total Liabilities by Country, con.

[Position at end of period in millions of dollars. Source: Office of International Financial Analysis]

Country	Calendar year			1995				
	1992	1993 r	1994 r	Aug.	Sept.	Oct.	Nov. p	Dec. p
Asia:								
China:								
Mainland	3,275	4,011	10,066	13,280	22,273	22,364	29,898	33,774
Taiwan	8,460	10,684	9,971	9,891	10,281	10,757	11,393	11,734
Hong Kong	20,639	17,724	17,954	25,002	22,968	22,995	21,389	21,435
India	1,404	1,123	2,340	2,749	2,921	3,017	3,279	3,380
Indonesia	1,494	2,001	1,610	2,201	2,388	2,196	2,507	2,730
Israel	3,785	4,453	5,160	4,726	4,235	3,838	4,111	4,097
Japan	77,735	79,241	88,611	122,958	130,000	130,251	131,231	134,877
Korea	3,367	4,963	5,226	4,983	5,560	5,467	5,693	5,843
Lebanon	417	469	503	471	436	482	575	631
Malaysia	1,775	1,833	1,704	2,211	1,657	2,116	1,965	2,195
Pakistan	989	1,216	1,309	1,612	1,944	1,837	2,049	1,694
Philippines	2,294	2,041	2,722	2,801	2,793	2,851	2,896	3,097
Singapore	10,566	8,746	8,537	13,265	11,274	11,210	11,226	11,664
Syria	245	365	608	851	848	797	875	866
Thailand	5,587	6,155	6,475	11,184	11,809	10,464	12,150	12,259
Oil-exporting countries ³	21,469	15,943	15,542	15,970	17,231	17,686	16,613	15,918
Other Asia	2,104	2,783	3,315	2,521	2,296	2,508	2,280	2,413
Total Asia	165,605	163,751	181,653	236,676	250,914	250,836	260,130	268,607
Africa:								
Egypt	2,475	2,218	1,885	1,925	2,127	1,948	1,907	2,136
Ghana	107	153	233	230	240	249	240	229
Liberia	372	816	323	331	335	372	372	370
Morocco	80	100	97	87	80	67	61	105
South Africa	191	451	440	746	467	934	1,206	739
Zaire	19	12	9	15	9	4	9	10
Oil-exporting countries ⁴	1,362	1,308	1,381	1,708	1,833	1,585	1,867	1,838
Other Africa	1,328	1,612	2,222	2,002	2,339	2,449	2,528	2,611
Total Africa	5,934	6,670	6,590	7,044	7,430	7,608	8,190	8,038
Other countries:								
Australia	3,068	3,919	5,249	5,517	4,859	5,089	5,840	5,730
All other	1,126	909	915	1,702	840	1,331	1,118	1,165
Total other countries	4,194	4,828	6,164	7,219	5,699	6,420	6,958	6,895
Total foreign countries	873,202	993,609	1,098,991	1,171,839	1,161,780	1,189,713	1,196,292	1,184,601
International and regional:								
International	7,676	7,179	7,888	9,050	12,262	9,349	9,220	8,795
European regional	80	51	53	338	54	170	135	29
Latin American regional	1,676	3,276	798	1,136	1,249	925	744	1,266
Asian regional	183	274	194	136	133	402	314	194
African regional	238	503	170	572	632	675	467	496
Middle Eastern regional	-	39	39	43	37	37	37	37
Total international and regional	9,853	11,322	9,142	11,275	14,367	11,558	10,917	10,817
Grand total	883,055	1,004,931	1,108,133	1,183,114	1,176,147	1,201,271	1,207,209	1,195,418

¹ Beginning with series for December 1992 forward, data are for Russia only. Data for all other republics of the former U.S.S.R. are reported under "Other Europe."

² Beginning with series for December 1992 forward, data for the former Yugoslav republics of Bosnia and Herzegovina, Croatia, and Slovenia are reported under "Other Europe."

³ Includes Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, and United Arab Emirates (Trucial States).

⁴ Includes Algeria, Gabon, Libya, and Nigeria.

TABLE CM-I-4.--Total Liabilities by Type and Country, Dec. 31, 1995, Preliminary

[Position in millions of dollars. Source: Office of International Financial Analysis]

Liabilities payable in dollars															
Country	Total liabilities					To foreign official institutions and unaffiliated foreign banks					Liabilities to all other foreigners				Memo- randum
	Total (1)	Payable in dollars (2)	Payable foreign curren- cies ¹ (3)	Totals		Liabi- lities to banks' own foreign offices				Deposits (11)	Time ² (12)	Short- term U.S. Treasury obligations ³ (13)	Other lia- bil- ities (14)		
				Banks' own lia- bilities (4)	Custody liabili- ties (5)	Deposits (6)	Time ² (7)	Short- term U.S. Treasury obligations ³ (8)	Other liabil- ities (9)						
Europe:															
Austria	4,750	3,726	1,024	1,942	1,784	111	900	1,732	567	313	17	56	28	2	12
Belgium-Luxembourg . . .	30,566	24,626	5,940	22,709	1,917	247	9,554	881	3,986	5,601	276	266	140	3,675	356
Bulgaria	752	752	-	300	452	15	179	452	93	3	1	9	-	-	-
Czechoslovakia	1,675	1,667	8	687	980	65	15	979	139	18	2	7	1	441	-
Denmark	3,449	2,921	528	2,284	637	60	289	220	1,889	378	10	6	-	69	75
Finland	3,027	2,829	198	2,658	171	28	637	118	1,098	849	3	96	-	-	49
France	47,184	39,194	7,990	28,663	10,531	461	12,033	8,700	4,892	10,943	217	380	492	1,076	277
Germany	31,131	24,062	7,069	19,700	4,362	625	4,555	3,876	10,147	3,483	223	390	316	447	120
Greece	2,040	2,011	29	1,113	898	47	219	872	431	127	45	239	9	22	5
Hungary	2,055	2,054	1	372	1,682	56	-	416	1,307	8	2	4	-	261	-
Ireland	2,574	2,491	83	1,812	679	36	195	286	823	109	45	76	48	873	103
Italy	14,828	10,670	4,158	9,756	914	369	4,705	540	2,739	1,511	257	308	66	175	126
Netherlands	16,753	15,211	1,542	10,479	4,732	186	4,404	2,573	3,586	3,522	137	155	308	340	72
Norway	1,483	1,394	89	714	680	29	1	260	951	17	20	30	2	84	-
Poland	5,497	5,369	128	3,996	1,373	32	121	1,373	3,517	315	8	3	-	-	-
Portugal	2,965	2,755	210	913	1,842	54	503	1,803	116	113	20	82	7	57	21
Romania	246	246	-	245	1	20	68	-	108	50	-	-	-	-	-
Russia ⁴	7,960	7,949	11	2,326	5,623	226	468	5,618	1,568	26	16	22	1	4	4
Spain	11,662	10,011	1,651	6,681	3,330	224	3,059	1,471	3,336	981	84	775	48	33	9
Sweden	3,402	3,245	157	3,092	153	47	475	82	360	2,084	12	38	29	118	15
Switzerland	45,825	43,604	2,221	11,764	31,840	499	2,337	28,627	4,943	4,854	141	898	834	471	1,073
Turkey	4,227	4,124	103	1,897	2,227	123	448	2,094	938	258	21	177	61	4	-
United Kingdom	162,963	139,419	23,544	125,441	13,978	754	28,725	4,517	19,867	74,145	572	1,345	1,974	7,520	2,590
Yugoslavia ⁵	177	177	-	177	-	12	17	-	129	2	3	9	-	5	-
Other Europe	14,389	13,769	620	9,662	4,107	174	3,525	4,057	5,088	713	16	136	19	41	-
Total Europe	421,580	364,276	57,304	269,383	94,893	4,500	77,432	71,547	72,618	110,423	2,148	5,507	4,383	15,718	4,907
Canada	28,211	26,139	2,072	19,616	6,523	253	3,751	2,907	2,992	11,021	591	1,271	708	2,645	162
Latin America and Caribbean:															
Argentina	12,307	12,236	71	9,743	2,493	430	2,327	2,143	1,058	892	663	4,250	137	336	55
Bahamas	95,344	94,622	722	81,770	12,852	66	4,132	365	11,037	74,153	104	1,457	1,480	1,828	390
Bermuda	4,984	4,897	87	2,663	2,234	31	170	406	1,745	22	110	267	646	1,500	103
Brazil	24,228	23,764	464	21,914	1,850	362	14,146	5	4,716	500	552	3,201	60	222	174
British West Indies	246,899	236,853	10,046	148,955	87,898	168	9,336	77	86,692	119,904	409	3,565	2,134	14,568	400
Chile	3,510	3,421	89	2,580	841	161	263	-	1,196	177	235	1,249	47	93	140
Colombia	3,756	3,658	98	3,487	171	40	1,013	65	587	56	207	1,623	14	53	20
Cuba	8	8	-	8	-	1	-	-	3	-	-	3	-	1	-
Ecuador	1,323	1,315	8	939	376	114	93	246	163	74	160	430	10	25	12
Guatemala	1,286	1,271	15	967	304	44	63	16	263	1	134	706	24	20	28
Jamaica	493	477	16	407	70	35	121	66	144	29	23	55	1	3	3
Mexico	24,645	24,580	65	15,910	8,670	144	2,260	6,971	5,192	981	1,024	7,151	416	441	433
Netherlands Antilles	5,341	4,682	659	3,982	700	70	123	31	285	1,099	50	832	323	1,869	27
Panama	4,502	4,260	242	3,718	542	73	209	1	277	1,136	162	1,924	144	334	108
Peru	991	973	18	949	24	31	40	-	115	42	88	638	2	17	8
Trinidad and Tobago	451	450	1	396	54	16	71	-	122	18	20	181	-	22	6
Uruguay	1,868	1,828	40	1,756	72	156	123	-	256	485	84	649	34	41	20
Venezuela	12,107	11,781	326	10,350	1,431	73	1,900	206	1,364	174	1,070	6,599	150	245	134
Other Latin America and Caribbean	7,227	7,137	90	6,086	1,051	252	949	714	766	268	591	3,070	145	382	70
Total Latin America and Caribbean	451,270	438,213	13,057	316,580	121,633	2,267	37,339	11,312	115,981	200,011	5,686	37,850	5,767	22,000	2,131

See footnotes at end of table.

TABLE CM-I-4.--Total Liabilities by Type and Country, Dec. 31, 1995, Preliminary, con.

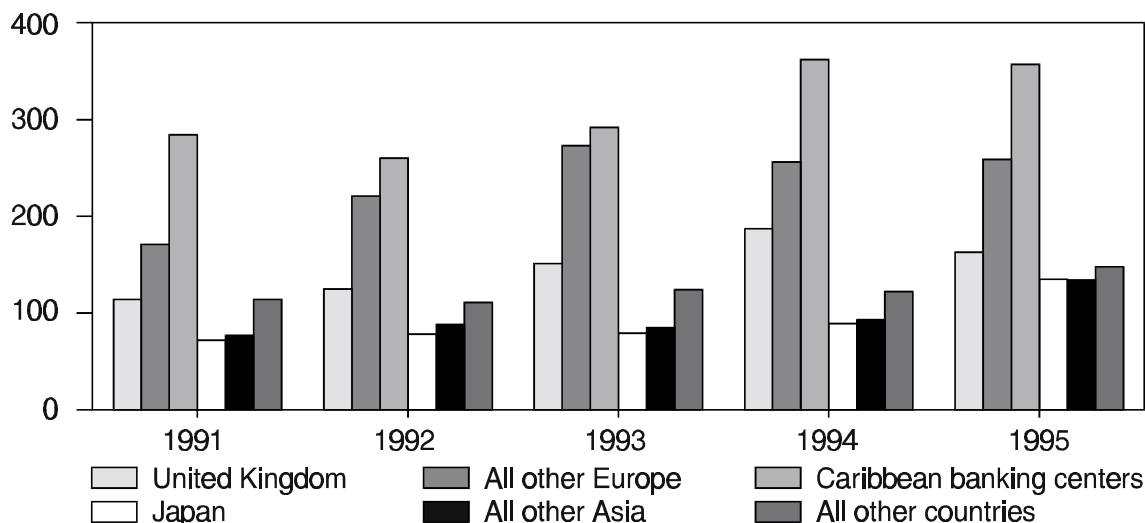
[Position in millions of dollars. Source: Office of International Financial Analysis]

Liabilities payable in dollars																
Country	Total liabilities					To foreign official institutions and unaffiliated foreign banks				Liabilities to banks' own foreign offices	Liabilities to all other foreigners			Memo- randum		
	Total	Payable in dollars	Payable in foreign currencies ¹	Totals		Deposits			Short-term U.S. Treasury obligations ³		Other liabilities	Deposits			Short-term U.S. Treasury obligations ³	Other liabilities
				Banks' own liabilities	Custody liabilities	Demand	Time ²	Demand				Time ²				
													(1)			
Asia:																
China:																
Mainland.....	33,774	33,774	-	3,621	30,153	307	615	17,550	14,445	503	18	248	42	46	20	
Taiwan	11,734	11,706	28	7,925	3,781	331	2,232	3,419	3,592	380	172	1,281	44	255	152	
Hong Kong.....	21,435	20,319	1,116	18,039	2,280	517	1,079	806	2,357	12,093	339	2,506	103	519	215	
India.....	3,380	3,373	7	1,079	2,294	302	25	1,910	467	398	31	96	2	142	5	
Indonesia.....	2,730	2,708	22	1,676	1,032	257	84	951	498	440	56	408	2	12	1	
Israel.....	4,097	4,071	26	2,083	1,988	159	119	1,762	684	644	56	524	97	26	38	
Japan.....	134,877	109,192	25,685	52,729	56,463	1,038	5,643	51,281	9,594	37,376	408	581	935	2,336	703	
Korea.....	5,843	5,743	100	4,852	891	334	520	449	922	2,206	25	1,241	3	43	7	
Lebanon.....	631	631	-	610	21	34	106	-	365	8	25	78	8	7	1	
Malaysia.....	2,195	2,187	8	1,704	483	183	361	409	544	333	22	335	-	-	-	
Pakistan.....	1,694	1,694	-	761	933	180	126	902	66	318	51	43	-	8	1	
Philippines.....	3,097	3,090	7	1,504	1,586	180	36	716	1,489	80	97	429	10	53	18	
Singapore.....	11,664	11,149	515	10,532	617	498	1,563	300	1,617	6,557	64	276	133	141	100	
Syria.....	866	866	-	864	2	192	256	-	390	-	6	20	2	-	-	
Thailand.....	12,259	12,253	6	951	11,302	205	69	10,852	700	313	32	79	2	1	295	
Other Asia.....	18,331	17,994	337	15,442	2,552	678	2,196	2,109	3,984	7,978	249	436	119	245	71	
Total Asia	268,607	240,750	27,857	124,372	116,378	5,395	15,030	93,416	41,714	69,627	1,651	8,581	1,502	3,834	1,627	
Africa:																
Egypt.....	2,136	2,136	-	1,017	1,119	107	237	1,107	540	72	18	48	-	7	7	
Ghana.....	229	229	-	188	41	26	23	40	82	37	7	13	-	1	-	
Liberia.....	370	359	11	202	157	-	-	-	5	-	29	167	45	113	12	
Morocco.....	105	104	1	100	4	16	3	2	66	5	8	3	-	1	-	
South Africa.....	739	739	-	282	457	114	-	450	93	12	13	49	4	4	2	
Zaire.....	10	10	-	9	1	4	-	-	1	4	1	-	-	-	-	
Other Africa.....	4,449	4,064	385	3,673	391	800	618	329	1,637	276	151	178	5	70	9	
Total Africa	8,038	7,641	397	5,471	2,170	1,067	881	1,928	2,424	406	227	458	54	196	30	
Other countries:																
Australia.....	5,730	5,648	82	2,217	3,431	335	86	3,004	1,112	443	133	59	158	318	240	
All other.....	1,165	1,142	23	947	195	24	5	54	370	151	55	119	11	353	1	
Total other countries.....	6,895	6,790	105	3,164	3,626	359	91	3,058	1,482	594	188	178	169	671	241	
Total foreign countries.....	1,184,601	1,083,809	100,792	738,586	345,223	13,841	134,524	184,168	237,211	392,082	10,491	53,845	12,583	45,064	9,098	
International and regional:																
International.....	8,795	7,812	983	7,596	216	8	3,871	215	3,718	-	-	-	-	-	-	
European regional.....	29	29	-	14	15	7	-	15	7	-	-	-	-	-	-	
Latin American regional.....	1,266	893	373	880	13	4	402	2	485	-	-	-	-	-	-	
Asian regional.....	194	194	-	38	156	-	-	66	128	-	-	-	-	-	-	
African regional.....	496	496	-	204	292	2	1	52	441	-	-	-	-	-	-	
Middle Eastern regional.....	37	37	-	37	-	-	37	-	-	-	-	-	-	-	-	
Total international and regional.....	10,817	9,461	1,356	8,769	692	21	4,311	350	4,779	-	-	-	-	-	-	
Grand total.....	1,195,418	1,093,270	102,148	747,355	345,915	13,862	138,835	184,518	241,990	392,082	10,491	53,845	12,583	45,064	9,098	

¹ These data as of Sept 30, 1995.² Excludes negotiable time certificates of deposit, which are included in "Other liabilities."³ U.S. Treasury bills and certificates held in custody for the account of oil-exporting countries in "Other Asia" and "Other Africa" amount to \$1,261 million.⁴ Beginning with series for December 1992 forward, data for all other republics of the former U.S.S.R. are reported under "Other Europe."⁵ Beginning with series for December 1992 forward, data for the former Yugoslav republics of Bosnia and Herzegovina, Croatia, and Slovenia are reported under "Other Europe."

CHART CM-A.--U.S. Liabilities to Foreigners Reported by U.S. Banks, Brokers, and Dealers with Respect to Selected Countries

(In billions of dollars)



[In millions of dollars]					
Country	1991	1992	1993	1994	1995
United Kingdom	113,920	125,388	150,912	187,131	162,963
All other Europe	170,505	221,194	273,626	255,797	258,617
Caribbean banking centers ¹	284,480	260,020	292,335	361,594	357,070
Japan	71,888	77,735	79,241	88,611	134,877
All other Asia	76,676	87,870	84,510	93,042	133,730
Subtotal	717,469	772,207	880,624	986,175	1,047,257
All other countries	113,726	110,848	124,307	121,958	148,161
Grand total	831,195	883,055	1,004,931	1,108,133	1,195,418

¹ Includes Bahamas, Bermuda, British West Indies, Netherlands Antilles, and Panama.

U.S. banking liabilities to foreigners, excluding liabilities represented by long-term securities, are highly concentrated in international financial centers. The chart and table show that about two-thirds or more of U.S. liabilities are reported opposite the United Kingdom, the rest of Europe, and, most notably, the offshore banking centers in the Caribbean. Also significant are the U.S. liabilities to foreigners reported against Japan and the rest of Asia.

Total U.S. liabilities to foreigners, which have increased steadily over the period shown, expanded

a further \$87.3 billion in 1995. At yearend 1995, U.S. liabilities to foreigners in the United Kingdom, other Europe, and the Caribbean banking centers had declined from yearend peaks in 1993 or 1994. U.S. liabilities to Japan, other Asia, and the remaining countries were up sharply at the end of the year, resulting in new highs for each of these areas and a collective increase of \$113.2 billion. This expansion, when contrasted with the flat or negative growth for other areas, suggests that the geographical allocation of U.S. liabilities may be shifting.